

**Remarks by Community College Presidents before Joint Education Appropriations
Subcommittee**

Thursday, Feb. 7, 2008

Comments by MJ Dolan, Executive Director, Iowa Assoc. of Community College Trustees

- Thank you for the opportunity to meet with you today and for your continued support of Iowa's community colleges. Today I am joined by:
 - Dr. Beverly Simone, President of Southeastern Community College
 - Dr. Penny Wills, President of Northeast Iowa Community College
 - Dr. Harold Prior, President of Iowa Lakes Community College
- The last three years, community colleges have received strong support from both the Governor and both political parties in the legislature.
- Last year, Governor Culver and the legislature fully funded the State Board of Education's recommendation for state aid, and also increased funding for our skilled worker training programs.
- We are here today to thank you and Governor Culver for your past support, as we believe it indicates the value you believe Iowa receives from our community college system.
- At this time, I'd like to introduce President Beverly Simone of Southeastern Community College.

Comments from President Beverly Simone, Southeastern Community College

- Like MJ, I want to thank Governor Culver and the legislature for their support last year in fully funding the State Board of Education's recommendation for state aid, and also providing increased funding for our skilled worker training programs.
- Iowa's community colleges are proud of the increasing role we are being asked to play in many of the important opportunities that exist for the state of Iowa, whether it be:
 - Training the next generation of Iowa's skilled workers
 - Helping lure more good paying jobs to Iowa.
 - Ensuring high school students have access to a full range of rigorous coursework that prepares them for college and beyond
- Today, we want to discuss with you the important role that community college state aid plays in fulfilling all of the missions I just mentioned.
- As was stated in our legislative brochure, state aid is the fundamental building block for all of the programs that community colleges offer.
 - Faculty Salaries
 - About 75% of our state aid dollars go for personnel costs, which primarily is the cost of faculty.

- Recruiting and retaining high quality faculty, especially in the career and vocational education in areas with a heavy math and science emphasis, is vitally important to ensuring that Iowa has enough workers skilled in engineering and science professions.
 - Attachment 1 is a list of programs at EICC that would be impacted by a reduced level of state aid, but a couple one that I want to draw your attention to:
 - Obviously, additional state aid dollars are needed so that we can make our salaries more competitive.
 - Training the next generation of skilled workers
 - The legislature and the Governor have both identified Iowa's skilled worker shortage as a major issue facing Iowa over the next several years.
 - Additionally, you have made a strong commitment to make our state more energy independent.
 - One of the tools that you are using to enhance the number of skilled workers is increasing the amount of training dollars at our colleges funded through Section 260C.18A of the Iowa Code.
 - That funding source helps get important new training programs off the ground, but it is our state aid programs that keep those programs running once they are operational.
 - Our ability to offer these types of programs is heavily dependent on state aid funding.
 - Keeping Tuition affordable
 - If there is one thing that we all can agree, it's that college is getting to be too expensive for many working class families in Iowa and across the nation.
 - However, because the Governor and both political parties in the legislature have, for the past three years, made a significant commitment to state aid, colleges have been able to keep tuition increases to a minimum.
 - For the past three years, colleges have received at least the level of state aid recommended by a formula developed by the State Board of Education, if not more.
 - As a result, tuition increases have been held below the national average increase as established by the higher education price index.
 - Earlier this decade however, community college funding was significantly cut well below the Board of Education's formula recommendation, and as a result, tuition skyrocketed.
 - In 2002, state aid was cut by \$10 million, and tuition went up 11.6% on average.
 - In 2003, state aid went up \$1 million, and tuition went up 10%.
 - In 2005, when state aid went up by 2.9%, tuition went up 7.12%
- Despite the important role that state aid plays in the funding for community colleges, the amount of state aid that colleges receive per pupil has historically lagged significantly behind the funding provided for other educational institutions

- According to numbers provided by the Legislative Services Agency,
 - K-12
 - From FY 1990 to FY 2005, per pupil state aid grew from \$2002 to \$5994.
 - State Universities
 - From FY 1990 to FY 2005, per pupil state aid grew from \$7421 to \$10,039
 - Community Colleges
 - From FY 1990 to FY 2005, per pupil state aid remained essentially unchanged—it was \$2003 in FY 1990 and in FY 2005, it was \$2055.
 - See Attachment 1—from Legislative Services Agency
- These numbers are important for two reasons
- Per pupil aid at community colleges trails all other public education institutions from between \$4000 and \$8000.
 - Even when you don't look at these numbers on a per pupil basis, it's clear to understand that funding has lagged.
 - In FY 2001, community college state aid was \$147 million. Four years later, it had fallen to \$139 million.
- What is the result?
- Community colleges have a very difficult time recruiting and retaining high quality faculty in the science and math area.
 - It becomes more difficult for colleges to fulfill their mission of educating the next generation of skilled workers.
 - Community College tuitions go up even more.
- This is why supporters of Iowa's community college, including students, faculty, and our close allies in both the business and labor community are concerned about any proposal that would not adopt the State Board of Education's recommendation to increase state aid by \$12.9 million, along with any recommendation to not continue the faculty salary increases included in last year's budget.
- Iowa's community colleges recognize the strong commitment that the Governor and both parties in the legislature have made to our public education system. And we look forward to working with all of you to help identify how best to go about finding the resources to increase state aid by \$12.9 million, and provide additional support for faculty salaries.
- Now, I'd like to introduce President Penny Wills of Northeast Iowa Community College.

President Penny Wills Comments before the Joint Education Appropriations Subcommittee

- Again, my thanks for the support the legislature has given the CC's especially these past three years.

- Some of you are more familiar than others with our College in the NE sector of the state. We are one of the 'border' colleges and as such what Presidents Kier and Pryor have said are even more critical for us as we have three neighboring states that impact our recruitment and retention of our students and our workforce.
- I also know that you have heard from many about the contributions that CC's make to our quality of life in Iowa, especially in the areas of education across the spectrum, economic strength, and workforce development. But I want to share with you some specifics....concrete examples that make this situation real for all of us.
- One of our legislators, Roger Thomas, co-chaired a study committee on Skilled Workers' Shortage this past year. In discussing this with Roger, it became so evident that Iowa, a state whose population has not seen significant population growth since 1900, must reach populations in our state who have never felt they had access to education to fill even our present jobs. Who is best to meet that need....community colleges... we have a proven record of educating a broad spectrum of students....the brightest, the least confident, the second-chance citizens, people transitioning in their careers, upgrading skills, all of these individuals....yet when we look at the Funding per Pupil...cc's are the lowest... and yet we are known for educating and training citizens who are 'high risk' students. We are respected for open admissions, for successful completion of vocational programs, and remember 87% of our students remain right here in Iowa!
- I mentioned the complex mission of cc's. You may think of us as just educating the students who enroll in specific programs or you know us because of our workforce training through 260 E and F programs. But we do much more to get our citizens, regardless of age, in the workforce pipeline. A new concept for Iowa is literally coming out of the ground in Oelwein, Iowa. Iowa's first Regional Academy for Math and Science. RAMS as it is known, will offer advanced courses in math, science and technology for the rural high schools in our region. Our plans include holding summer institutes for middle school children to excite them about these fields. We also are working closely with UNI to offer graduate programs for our high school teachers to support children pursuing these needed areas. It is very difficult for these schools to recruit math and science teachers and we need to partner with them in these efforts. But our efforts may be delayed...thanks to the partnerships we have with the City and business and industry, and federal support, the building is financed. But it's what is to happen inside the building that needs financial support. This is just one of the new programs that NICC has worked hard on and is passionate about that will need to be curtailed with the present budget.
- Since becoming president of NICC, my administration has worked diligently at reducing the percentage of tuition and fees for our revenue stream. Presently we are at 51% tuition dependent. I'm pleased that SGA is now back to app. 35% and our local support is 6.4%. While these numbers are an improvement, there has been a strong historical trend which has seen community colleges become more reliant on tuition dollars to balance their budget.

- Attachment 3 shows how three primary funding sources for all community colleges have changed our system was created in the 1960s..
 - In 1980, state general aid made up over 50% of community college budgets. In 2006, the last year that numbers are available from the Department of Education, that figure has dropped to 36.4%
 - In 1980, tuition contributed about 20% of our budgets. In 2006, it contributed nearly 50%.
 - Local aid contributed nearly 30% of the budget in 1967; by 2006, that figure had dropped to less than 5%.
- The consequences of not fully funding the Board of Education's recommended state aid increase of \$12.9 million is:
 - Community colleges will have to rely more on part-time, adjunct faculty members, and it will be harder to recruit and retain quality faculty
 - It becomes more difficult for colleges to fulfill their mission of educating the next generation of skilled workers.
 - Community college tuitions will go up even more.
- Now I would like to introduce President Harold Prior of Iowa Lakes Community College.

President Harold Prior Comments before the Joint Education Appropriations Subcommittee

- I would like to re-iterate what Pat and Penny have both said about our appreciation for this opportunity to meet with you and for your continued support of Iowa's community colleges. Over the past few years we have felt very good about the support we have received from both the Governor's Office and the Iowa Legislature. In addition, I can tell you that this support is also felt from the residents of all our community college districts. Based on the number of meetings I've had with residents in the Iowa Lakes Community College district I can tell you that they see us as a very valuable economic development and educational tool for not only our individual regions but for the entire state of Iowa.
- As a small rural based community college in northwest Iowa with a Minnesota border I would also like to reiterate what was already said in terms of border competition. Nebraska's community colleges are much lower in their student tuition charges than Iowa's colleges and it is starting to have an effect on our ability to attract students from the state of Nebraska and in some cases we are losing some of our Iowa students to Nebraska.
- As I think all of you know, Iowa Lakes is probably particularly well known for its premier wind energy technology program. This is a program that I think illustrates one of the prime dilemmas of Iowa's community colleges. Our wind energy program has entailed the expenditure of over \$5,000,000 over the last four years to get it to international recognition levels. We've had much support from state government through many funding mechanisms and especially we appreciate the establishment of the 260C

18A dollars that was approved by the legislature last year. That was critically important money to help us expand our training facility to meet the needs of an ever growing student enrollment. We've also received significant federal dollars to help construct our turbine and to buy education materials. However, the college has incurred expenditures of over \$2,500,000 to hire staff members and construct and maintain facilities and provide educational materials for this one program.

- To help with the context of this concern, our Wind Energy and Turbine Technology program is only one among 116 academic transfer and career and technical programs offered by Iowa Lakes Community College. Without continued support in terms of the Legislatures approval of the Iowa Department of Education's \$12.9 million recommendation for State General Aid it will become increasingly difficult for us to fund at a competitive level all of these programs.
- I am particularly concerned about the difficulty of replacing some of our retiring staff members and staff members who may move to other jobs. In the wind energy training business it is incredibly difficult to provide a competitive salary compared to what technicians make in the field. In addition, in many cases our compensation levels are not competitive with other states and are also, in many cases, weaker than our K-12 partners pay rates for their instructional staff. I believe it should concern all of us about where the replacement staff members will come from to continue to provide the high quality instructional staff needed to support our academic and career and technical programs.
- The consequences of not fully funding the Board of Education's recommended state aid increase of \$12.9 million is:
 - Community colleges will have to rely more on part-time, adjunct faculty members, and it will be harder to recruit and retain quality faculty
 - It becomes more difficult for colleges to fulfill their mission of educating the next generation of skilled workers.
 - Community college tuitions will go up even more.
- Iowa has so many opportunities based on the energy concerns of the world and our outstanding agricultural and energy production capabilities. Iowa's community colleges are the recognized leader in training the workforce for the 21st century. It is critically important to the future growth of Iowa and many Iowa industries that community college funding be supported at the highest level possible.